
FINANCIAL SERVICES REPUBLICAN MORNING CLIPS 9.23.2010

Wall Street Journal: "Banks Pressed on Sour Home Loans ... Big U.S. banks are facing legal pressure to make up for losses tied to pools of soured low-end mortgage loans."

Wall Street Journal: "SEC Blasted on Goldman ... The Securities and Exchange Commission's internal watchdog said the timing of a fraud lawsuit against Goldman Sachs Group Inc. filed by the SEC was "suspicious," suggesting agency officials tried to distract attention from a report criticizing the SEC for failing to detect an alleged Ponzi scheme."

Wall Street Journal: "Madoff Payback Method Gets Support ... The chairman of the Securities Investor Protection Corp. on Thursday is expected to defend the method being used to pay claims for customers defrauded in Bernard Madoff's Ponzi scheme. The approach has been upheld in court, though some lawmakers and victims have questioned its fairness."

Wall Street Journal: "Too Little Inflation? ... Critics have long been urging the Federal Reserve to adopt a formal price rule to guide its monetary decisions, and this week the Fed finally came up with one, sort of. Lesson: Be careful what you wish for."

Washington Post: "Amid mountain of paperwork, shortcuts and forgeries mar foreclosure process ... The nation's overburdened foreclosure system is riddled with faked documents, forged signatures and lenders who take shortcuts reviewing borrower's files, according to court documents and interviews with attorneys, housing advocates and company officials."

Washington Post: "What Obamanomics is missing: Disruptive innovation ... With Larry Summers following Christina Romer and Peter Orszag out the door, President Obama has a chance for an economic policy reboot. Clearly he needs to try something different."

NY Times: "The Fed, Innovation and the Next Recession ... The Federal Reserve was created in 1913 to help limit the impact of financial panics. It took a while for the Fed to achieve that goal, but after World War II - with a great deal of help from other parts of the federal government - the Fed hit its stride."

LA Times: "Differing views on bailout emerge as manager of TARP fund resigns ... As one of the most controversial chapters in U.S. economic history draws to a close, the Obama administration and its critics are writing very different obituaries of the \$700-billion fund that bailed out Wall Street and the domestic auto industry."

LA Times: "SEC too focused on bringing high volume of cases, inspector general says ... The Securities and Exchange Commission is still focused too much on the number of cases it has brought and not enough on the number of investors protected, the agency's inspector general said Wednesday at a hearing looking into the commission's failure to identify quickly an alleged \$8-billion fraud scheme involving Robert Allen Stanford and Stanford Financial Group."

LA Times: "SEC chief eyeing regulation of high-speed computerized trading ... Just ahead of a reworking of rules governing stock markets, Securities and Exchange Commission Chairwoman Mary L. Schapiro made it clear how she feels about high-speed computerized trading, secretive dark-pool networks and other regimens that make trades nearly invisible to ordinary investors."

USA Today: "Geithner confident U.S. banks can meet new global capital standards ... Treasury Secretary Timothy Geithner said Wednesday that U.S. banks are in a good position to meet new global capital standards because of the stress tests conducted in the United States last year."

USA Today: "SEC official pressed on agency delays in Stanford Ponzi case ... Senators pressed the Securities and Exchange Commission's chief enforcement official Wednesday to explain why the agency has yet to demote or fire staffers who waited 12 years to bring charges against a major Ponzi scheme."

USA Today: "U.S. sells Hartford warrants for \$706M to help pay back TARP ... The government has raised \$706.3 million from the sale of warrants it held in the Hartford Financial Services Group. It was the latest move to recoup costs for taxpayers from the \$700 billion financial bailout."

The Hill: "Warren off and running as Obama adviser ... Elizabeth Warren has spent her first days as President Obama's consumer financial adviser asking industry and other groups to partner with her on new regulations."

The Hill: "Senate passes bill to remove FOIA exemption for the SEC ... The Senate approved a bill Tuesday that removes a provision from the financial regulatory reform law that provided the Securities and Exchange Commission with broader exemptions for releasing documents to the public."